



The political economy of power-sharing

George Tridimas*

University of Ulster, School of Economics, Newtownabbey, Co. Antrim, BT37 0QB, UK

ARTICLE INFO

Article history:

Received 24 February 2010

Received in revised form 15 October 2010

Accepted 17 October 2010

Available online 23 October 2010

JEL classification:

D72

D74

H56

Keywords:

Power-sharing

Consociational theory

Post-civil-war democratisation

Non-majoritarian institutions

Proportional representation

Risk aversion

Split-the-surplus formula

ABSTRACT

The paper analyses why office-motivated political rivals may agree to cease conflict to control the government and share power on the basis of an election outcome under proportional representation. As the outcomes of conflict and elections are uncertain, for each rational player the choice depends on which setting secures the highest expected net payoff. Adopting the methodology of the economics of conflict, I show that the factors of crucial importance are attitudes to risk, the comparative effectiveness of the adversaries in contesting election relative to a war, the size of the benefits from office, how the benefits are shared in a power-sharing agreement, and the proportion of the benefits destroyed by fighting.

© 2010 Elsevier B.V. All rights reserved.

1. Introduction

Power-sharing is an arrangement whereby warring political factions jointly exercise the power of office rather than fight. Examples of power-sharing of varying success are contemporary Iraq, Kenya, Lebanon, Northern Ireland and Zimbabwe. Power-sharing and consociational government can be a mechanism for managing conflict in societies divided along ethnic, racial, religious, linguistic and cultural lines. However, agreement is required of all rival factions, including those who may feel that they stand a better chance to win a war than an election. Why would an office-seeking, utility-maximising leader decide to lay down his weapons and abide by the rules of democratic politics? Recognising that victory after a war is uncertain and so is the election outcome, the present study examines the circumstances under which two opposing political groups choose to end conflict and share power when the gains from office are divided according to the outcome of an election under proportional representation.

In a homogeneous society under a democratic polity, where each political party has a fair chance of winning an election, it may be accepted that the winning majority earns the right to pursue its preferred policy in a “winner-takes-all” division of the spoils of electoral victory.¹ However, in a deeply divided society, where one community enjoys an inbuilt majority by virtue of its greater number of members and individuals vote according to identity rather than policies and political competence,² collective decisions

* Tel.: +44 28 90368273; fax: +44 28 0366847.

E-mail address: G.Tridimas@ulster.ac.uk

¹ The policy making authority of the majority in a democracy is not unfettered but subject to various non-majoritarian constitutional restrictions including constitutional judicial review. Legislative acts and policy measures that violate the constitution can be annulled by the judiciary; for a survey see [Tridimas \(2010\)](#).

² Voting according to identity is a manifestation of expressive voting, that is, one where a citizen derives utility from casting a vote that expresses his preferences, rather than deriving instrumental benefits from influencing the election outcome, see [Brennan and Hamlin \(1998, 1999\)](#).

based on simple majority rule systematically privilege the larger community and permanently exclude the minority from office. In such a setting, simple majority rule outcomes can be expected to be viewed as illegitimate by the losing minority. A sense of injustice combined with related grievances may then lead the minority community to take up arms and seek to take over the state or to secede. Violent conflict and civil war cost lives and property to both rival communities while the outcome is uncertain. Under power-sharing, the electoral majority shares power with the minority and the agreement required to reach decisions generates more moderate outcomes in comparison to a rule that allows decision making to be concentrated in the hands of the winning larger community.

The present study leaves the question of the consequences of power-sharing on policy outcomes for future investigation. Power-sharing is a form of insurance against the losses that a minority will incur when the majority rules. Whether or not rational political players respect the power-sharing agreement and abide by its rules depends on whether it is credible and its provisions are enforced, and whether it secures a higher expected payoff for all players than the alternative of war. Credibility depends, amongst other things, on implementation mechanisms, including the presence of a “higher authority”, for example, a foreign power trusted by both parties that has the resources and the will to enforce the terms of the agreement; or a self-enforcement mechanism, as for example when the two adversaries give up their weapons, integrate their military into a united defence force, and set up a single police service and an independent judiciary.

My focus is on the determinants of the payoffs from power-sharing given enforceability, and on whether power-sharing is preferable to war and to majoritarian rule. In the tradition of political economy, the issue is not approached as a question of avoiding war and adopting democracy for normative reasons but as one of self-interest. A large literature analysing the benefits of settlement over conflict compares the uncertain outcome of conflict over an asset to the deterministic outcome of dividing that asset. Contrary to this work, the present study compares the uncertain outcome of conflict to the uncertain outcome of an election, which determines how resources are shared between disputants.

The paper is structured as follows. The next section discusses the relation of the present study to various strands of research on civil war, power-sharing in democratic government, and electoral rules and coalition formation. Given the voluminous literature, the discussion can only be selective. By way of an example of the workings of a power-sharing arrangement, I provide a brief description of the 1998 peace agreement in Northern Ireland between Unionist-Protestants and Nationalist-Catholics. [Section 3](#) introduces the conceptual framework and studies the circumstances under which two opposing groups lay down their weapons and share power according to their electoral shares. Modelling power-sharing on the basis of proportional representation is sensitive to assumptions about attitudes to risk. Assuming first risk neutrality, I analyse the choices between war and a power-sharing formula based on dividing the gains from peace equally. I then extend the analysis to the case of risk aversion and study when the opponents give up violent conflict and adopt democratic politics under proportional representation. [Section 4](#) concludes.

2. A selective review of civil war and power-sharing

Wars are ex post inefficient because of costs of arming, injury and loss of life, and destruction of property. The present study is related to strands of a large political science and economics literature on conflict and civil war, post-civil-war resolution and the debate between consociation and centripetal form of government, and policy making under proportional representation. The following is a selective description of some of the themes in this literature.

2.1. Civil war

The first branch of studies relates to a growing economic literature on war based on game theory. The economic analysis of war uses the insights of the theory of incomplete contracting and conflict ([Hirshleifer, 1995](#)): When it is in their interests, the participants are not able to make commitments that they will not engage in war against each other. After scrutinising a number of arguments, [Fearon \(1995\)](#) concludes that there are three rational explanations of war. (1) Incomplete information and strategic misrepresentation: That is, leaders who go to war may have private but incomplete information about relative ability and willingness to fight and strategic incentives to misrepresent such information in order to gain a better deal. In addition, waging war may act as a signal about willingness to fight and military strength.³ (2) Inability to commit: Rival powers may be unable to commit credibly to peace because of strong incentives to renege on a bargain (even though there are no problems of information asymmetry or strategic misrepresentation). This is likely under three circumstances, namely, when a pre-emptive war increases the chances that a country wins decisively; when a preventive war increases the chances that a country will not be strong enough to mount an attack in the future; and when a country cannot be trusted that if it is offered a concession it will not demand more later (a case of failure of appeasement). (3) Indivisibility of the issue in dispute: Some issues may be indivisible; for example, who sits on the throne, or who has authority over a territory. In this case, the disputants consider the issue at hand as a binary variable, all-or-nothing, and will be unable to negotiate a mutually beneficial division, that would result in a peaceful resolution. [Powell \(2006\)](#) argues that indivisibilities should be seen as a commitment problem, and observes that despite the insights gained by models based on incomplete information, “war comes when a state becomes convinced that it is facing an adversary it would rather fight than accommodate” (p.194).

Looking more specifically at civil wars, [Grossman \(1991\)](#) presented an economic model of insurrection, where labour time is divided between production, soldiering for the lawful government and insurrection and depends on the technology of conflict.

³ [Bester and Warneryd \(2006\)](#) analyse settings where one side underestimates the strength the other as a result of which war erupts.

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات